

**SKYWAY AVIATION HANDLING COMPANY PLC  
(RC:813022)**

**UNAUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2019**

# SKYWAY AVIATION HANDLING COMPANY PLC

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# SKYWAY AVIATION HANDLING COMPANY PLC

## CORPORATE INFORMATION

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<b>BOARD OF DIRECTORS:</b>	Barrister (Dr.) Afolabi Taiwo Mr. Agboarumi Basil Mrs. Afolabi Abosedede Folashade Mr. Ariyo Olutoye Barrister Oladipo Kayode Filani Mr. Babatunde Afolabi Captain Shehu Iyal Mr. Anogwi Anyawu Mr. Olaniyi Adigun Mrs. Boma Ukwunna Barr. Chike Ogeah Dr. Oluropo Owolabi	Chairman Managing Director Director Director Director Director Director Director Director Director Director Director
<b>PRINCIPAL OFFICERS:</b>	Agboarumi Basil Adigun Olaniyi Ukwunna Boma Oriowo James Olugbenga Okeowo Omolara Bello Ibrahim Amuda Omotoso Rotimi Elegbede Folorunso Oseghale Christie Okunlola Adebawale Ogungbemi Yinka	Managing Director/CEO Director -Sales and Marketing Director - Cargo Services AGM- Engineering and Maintenance AGM- Operations Head - Legal/ Company Secretary Head - Internal Audit Head - Finance Head - Human Resources Head -Safety and Quality Assurance Head -Security Head - Administration
<b>REGISTERED OFFICE/ OPERATIONAL OFFICE ADDRESS:</b>	54 Warehouse Road, Apapa, Lagos Skyway Aviation Handling Company Plc Complex, Cargo Terminal, Murtala Muhammed International Airport, Ikeja, Lagos.	
<b>COMPANY SECRETARY:</b>	Omolara Bello Skyway Aviation Handling Company Plc Complex, Cargo Terminal, Murtala Muhammed International Airport, Ikeja, Lagos.	
<b>PRINCIPAL BANKERS:</b>	Ecobank Nigeria Limited Guaranty Trust Bank Plc Stanbic IBTC Bank Plc First City Monument Bank Plc Union Bank of Nigeria Plc Skye Bank Plc (Now Polaris Bank Ltd) United Bank for Africa Plc First Bank Nigeria Limited Zenith Bank Plc Access Bank Plc	

# SKYWAY AVIATION HANDLING COMPANY PLC

## CORPORATE INFORMATION (CONT'D)

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### SOLICITORS

Kayode Filani and Co.  
9 Odunuga Street  
Off Link Road  
Opebi  
Lagos.  
Tel.: +2348033282855

Sceptre Law  
2c Idowu Olaitan Street  
Gbagada Expressway  
Gbagada Phase II  
Lagos.

H.A. Olaniyan and Co.  
2nd Floor Rear Block  
208 Ikorodu Road  
Palmgrove  
Lagos.

# SKYWAY AVIATION HANDLING COMPANY PLC

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER, 2019

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The Directors are pleased to present their annual report together with the condensed financial statements of the Company for the year ended 31 December 2019.

### 1 PRINCIPAL ACTIVITIES

The principal activities of the Company include provision of services including aircraft/ramp handling, cargo handling, passenger handling, premium lounge, aviation security and baggage reconciliation.

### 2 LEGAL FORM

On 3rd of December 2009, SIFAX Shipping Limited and Global Apex Logistic Limited through Skyway Aviation Handling Company Limited acquired 100% interest of the Federal Government in Skypower Aviation Handling Company Limited due to the privatisation of the company. Global Apex Logistics limited later gave up its holding in the shares of the company. The Company became a Public Limited Company on 5th October, 2018 and was listed on Nigerian stock Exchange on 23 April, 2019.

The corporate Headquarters is located at Skyway Aviation Handling Company Plc Complex, Cargo Terminal, Murtala Muhammed International Airport, Ikeja, Lagos.

### 3 RESULT FOR THE PERIOD

	Unaudited
	2019
	N'000
Revenue	<u>7,667,350</u>
<b>Profit before taxation</b>	<b>891,033</b>
Tax (expense)/credit	<u>(360,860)</u>
<b>Profit after Taxation</b>	<b>530,172</b>
Total other comprehensive income	-
Total comprehensive income	<u><u>530,172</u></u>

### 4 OPINION OF THE DIRECTORS

In the opinion of the Board of Directors;

i. The Condensed Financial Statements of the Company together with the notes therein are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December, 2019 and of the financial performance, changes in equity and cash flows for the period then ended and;

ii. As at the date of reporting, there are reasonable grounds to believe that the Company will be able to pay its liabilities as and when they fall due.

# SKYWAY AVIATION HANDLING COMPANY PLC

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER, 2019

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### 5 DIRECTORS AND DIRECTORS' INTEREST

The names of the Directors are detailed on page 2. The interests of the Directors in the Issued Share Capital of the company are listed below in accordance with Section 275 and 342 of the Companies and Allied Matters Act, CAP C20 LFN 2004:

	No of shares held (Unit)		
	As at 31 December 2019		
	Direct	Indirect	Representing
Barr. Dr. Taiwo Afolabi	389,670,989	265,998,655	SIFAX Shipping Ltd
Barr. Chike Ogeah	537,600		N/A
Dr. Oluropo Owolabi	322,500		N/A
Bar. Oladipo Filani	4,000,000		N/A
Mr. Olutoye Ariyo	-	-	N/A
Mr. Babatunde Afolabi	-	-	N/A
Captain Shehu Iyal	-	-	N/A
Mr. Anogwi Anyawu	50,000	-	N/A
Mr. Agboarumi Basil	55,000	-	N/A
Mr. Olaniyi Adigun	-	-	N/A
Mrs. Boma Ukwunna	-	-	N/A

	No of shares held (Unit)		
	As at 31 December 2018		
	Direct	Indirect	Representing
Barr. Dr. Taiwo Afolabi	503,580,000	550,000,000	SIFAX Shipping Ltd
Barr. Chike Ogeah	-	-	N/A
Dr. Oluropo Owolabi	-	-	N/A
Bar. Oladipo Filani	-	-	N/A
Mr. Olutoye Ariyo	-	-	N/A
Mr. Babatunde Afolabi	-	-	N/A
Captain Shehu Iyal	-	-	N/A
Mr. Anogwi Anyawu	-	-	N/A
Mr. Agboarumi Basil	-	-	N/A
Mr. Olaniyi Adigun	-	-	N/A
Mrs. Boma Ukwunna	-	-	N/A

# SKYWAY AVIATION HANDLING COMPANY PLC

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER, 2019

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### 6 DIVIDEND

The Board did not recommend any dividend for the reporting period.

### 7 EMPLOYMENT AND EMPLOYEES

#### (a) Employment of disabled persons:

The Company has an employment policy which does not discriminate against the disabled persons.

#### (b) Health Safety and Welfare

The Company is fully committed to employees' well being and would continue to seek better ways of guaranteeing their well being.

#### (c) Employees Involvement and Training:

The Company attaches great importance to staff training and encourages employees to pursue self development that will impact positively on the Company's service delivery. The Company is committed to keeping employees as fully informed as possible regarding its focus, performance and progress.

### 8 GIFTS AND DONATIONS

No donation was made to any political organisation during the period.

### 9 PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are shown in Note 10. In the opinion of the Directors, the market value of the Company's property, plant and equipment are not less than the value shown in the financial statements.

### 10 ACQUISITION OF OWN SHARES

The Company did not purchase any of its own shares during the period.

### 11 WHISTLE BLOWING POLICY

The Company is committed to fair and ethical business practices with transparency and integrity. Hence, Skyway Aviation Handling Company Plc has a clear whistle blowing policy that ensures all employees including prospective applicants, contractors agents, partners, bankers, other service providers, suppliers, shareholders, host community and the general public are given a channel through which they can report all matters they suspect of involving anything illegal, unethical, harmful and or improper. All matters reported are accepted and treated with confidentiality of the identity of the whistle blower.

# SKYWAY AVIATION HANDLING COMPANY PLC

## REPORT OF THE DIRECTORS

### FOR THE YEAR ENDED 31 DECEMBER, 2019

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#### 12 COMPLAINTS MANAGEMENT POLICY

Skyway Aviation Handling Company Limited is committed to providing high standards of services for shareholders including a platform for efficient handling of shareholders' complaints and enquiries, enabling shareholders to have shareholder related matters acknowledged and addressed, providing sufficient resources to ensure the shareholders' complaints and enquiries are dealt with adequately, and in an efficient and timely manner and facilitating efficient and easy access to shareholders' information.

The Company has therefore formulated a Complaint Management policy designed to ensure the complaints and enquiries from the Company's shareholders are managed in a fair, impartial, efficient and timely manner.

Furthermore, this policy has been prepared in recognition of the importance of effective engagement in promoting shareholders / investors' confidence in the company.

This policy sets out the broad framework by which Skyway Handling Company Plc and its Registrar will provide assistance regarding shareholder issues and concerns. It also provides the opportunity for Skyway Aviation Handling Company Plc's shareholders to provide feedback to the company on matters that affect shareholders.

This policy only relates to the Company's shareholders and does not extend to its customers, suppliers or other stakeholders.

#### 13 INSIDER INFORMATION POLICY

The Company has a policy on insider information and prohibition of Insider dealings as required by rules and regulations and the policy has been made publicly available to all stakeholders.

Skyway Aviation Handling Company Plc's Insider Information policy is to generally ensure the board members, employees and its external stakeholders who have knowledge of confidential and potentially price sensitive information are aware of the prohibition imposed by law against using, disclosing (other than in the normal course of the performance of their duties) or encouraging transactions in securities on the basis of such inside information. In addition to obligations imposed by law, Skyway Aviation Handling Company Plc wants board members, employees and external stakeholders to respect the safeguarding of confidential information and potentially price sensitive information.



# SKYWAY AVIATION HANDLING COMPANY PLC

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER, 2019

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### 14 GOING CONCERN STATUS

The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe that the Company will not remain a going concern in the years ahead.

Resulting from the above, the directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. Thus, directors continued the adoption of the going concern basis of accounting in preparing the annual financial statements.

### BY ORDER OF THE BOARD



**Omolara Bello**  
**Company Secretary**

**FRC/2019/NBA/00000019782**

**Dated this ..28th January, 2020.**

# SKYWAY AVIATION HANDLING COMPANY PLC

## DIRECTORS' CERTIFICATION REPORT FOR THE YEAR ENDED 31 DECEMBER, 2019

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We have reviewed the condensed financial statements of Skyway Aviation Handling Company Plc for the period ended 31 December, 2019

Based on our knowledge, these condensed financial statements do not;

- (a) Contain any untrue statement or a material fact or;
- (b) Omit to state material fact, which would make the statement misleading in the light of the circumstance under which such statements were made
- (c) The condensed financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for the periods presented in the condensed financial statements

The Directors are responsible for establishing and maintaining internal controls;

we have;

- i designed such internal controls to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared;
- ii continuously evaluated the effectiveness of the Company's internal controls on a quarterly basis;



.....  
**Barr. (Dr.) Taiwo Afolabi**  
Chairman  
FRC/2015/NBA/00000013106  
Date: ..28th January.. 2020



.....  
**Mr. Rotimi Omotoso**  
Head - Finance  
FRC/2016/ICAN/00000014593  
Date: ..28th January.. 2020



.....  
**Mr. Agboarumi Basil**  
Managing Director/CEO  
FRC/2019/IODN/00000019784  
Date: ..28th January.. 2020

## SKYWAY AVIATION HANDLING COMPANY PLC

### CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2019

	NOTE	Unaudited 3 Months Ended		Unaudited	Audited
		31 Dec. 2019 ₦'000	31 Dec. 2018 ₦'000	Year ended 31 Dec. 2019 ₦'000	Year ended 31 Dec., 2018 ₦'000
Revenue	3	2,169,576	1,579,415	7,667,350	6,136,412
Direct cost	4	(1,236,884)	(910,170)	(4,284,437)	(3,529,677)
Gross profit		932,692	669,244	3,382,913	2,606,735
Other operating income	5	60,918	51,303	42,599	19,386
Administration expenses	6	(681,842)	(2,125,255)	(2,434,428)	(2,796,402)
Finance expense	8	(20,272)	(132,614)	(100,050)	(132,614)
Operating profit/(Loss) before taxation		291,496	(1,537,321)	891,033	(302,895)
Tax (expense)/credit	27	(90,215)	- 90,688.39	(360,860)	(362,754)
Profit/(Loss) for the period		201,281	(1,628,010)	530,172	(665,649)
<b>Other comprehensive income</b>					
Gain on revaluation of PPE	10	-	-	-	10,098,772
Tax expense		-	-	-	(1,009,877)
		-	-	-	9,088,895
<b>Total comprehensive income</b>		<b>201,281</b>	<b>(1,628,010)</b>	<b>530,172</b>	<b>8,423,246</b>
<b>Earnings per share</b>					
Basic earnings/(loss) - kobo	9	<b>15</b>	<b>(120)</b>	<b>39</b>	<b>(49)</b>
Diluted earnings/(loss) - kobo	9	<b>15</b>	<b>(120)</b>	<b>39</b>	<b>(49)</b>

The accompanying notes form an integral part of these condensed financial statements.

# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT,

		Unaudited	Audited
		31 Dec. 2019	31 Dec., 2018
	NOTE	₦'000	₦'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	14,220,073	14,975,961
Investment properties	11	291,748	301,684
Intangible assets	12	4,057,388	4,057,388
		<u>18,569,210</u>	<u>19,335,033</u>
<b>CURRENT ASSETS</b>			
Inventories	13	262,928	179,211
Trade and other receivables	14	2,591,063	2,364,858
Cash and cash equivalent	15	1,595,768	1,207,357
		<u>4,449,759</u>	<u>3,751,426</u>
<b>TOTAL ASSETS</b>		<u><b>23,018,968</b></u>	<u><b>23,086,459</b></u>
<b>EQUITY</b>			
Share capital	22	676,790	676,790
Retained earnings	23	4,942,494	4,412,322
Share Premium	25	4,784,010	4,784,010
Revaluation reserve	24	9,088,895	9,088,895
		<u>19,492,189</u>	<u>18,962,017</u>
<b>NON-CURRENT LIABILITIES</b>			
Deposit for shares	17	-	-
Long term borrowings	19	24,081	405,832
Deferred Tax Liabilities	28	187,717	187,717
Deferred income	26	27,540	27,540
Employee benefit liabilities	18	699,612	533,875
		<u>938,950</u>	<u>1,154,964</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	2,018,074	2,388,698
Short term borrowings	19	128,511	205,777
Deferred income	26	32,457	20,295
Current income tax liabilities	27	408,787	354,708
		<u>2,587,829</u>	<u>2,969,478</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>23,018,968</b></u>	<u><b>23,086,459</b></u>

The condensed financial statements was approved by the Board of Directors on 28th Jan., 2020 and signed on its behalf by:



.....  
Barr. (Dr.) Taiwo Afolabi, MON  
Chairman  
FRC/2015/NBA/00000013106



.....  
Mr. Agboarumi Basil  
Managing Director/CEO  
FRC/2019/IODN/00000019784



.....  
Mr. Rotimi Omotoso  
Head - Finance  
FRC/2016/ICAN/00000014593

The accompanying notes form an integral part of these condensed financial statements.

# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2019

	SHARE CAPITAL N'000	SHARE PREMIUM N'000	RETAINED EARNINGS N'000	REVALUATION RESERVE N'000	TOTAL EQUITY N'000
<b>Balance at 1 January 2018</b>	425,000	-	5,077,970	-	5,502,970
Loss for the period	-	-	(665,648)	-	(665,648)
Other comprehensive income for the year	-	-	-	9,088,895	9,088,895
<b>Total Comprehensive Income</b>	-	-	<b>(665,648)</b>	<b>9,088,895</b>	<b>8,423,247</b>
<b>Transactions with owners recorded directly in equity</b>					
Issue of Shares	251,790	4,784,010	-	-	5,035,800
<b>Balance at 31 December 2018</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,412,322</b>	<b>9,088,895</b>	<b>18,962,017</b>
<b>Balance at 1 January 2019</b>	676,790	4,784,010	4,412,322	9,088,895	18,962,017
Profit for the year	-	-	530,172	-	530,172
Other comprehensive income for the period	-	-	-	-	-
<b>Total Comprehensive (Loss)/Income</b>	-	-	<b>530,172</b>	-	<b>530,172</b>
<b>Balance at 31 December 2019</b>	<b>676,790</b>	<b>4,784,010</b>	<b>4,942,494</b>	<b>9,088,895</b>	<b>19,492,189</b>

The accompanying notes form an integral part of these condensed financial statements.

# SKYWAY AVIATION HANDLING COMPANY PLC

## CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER, 2019

		Unaudited Year ended 31 Dec. 2019 ₦'000	Audited Year Ended 31 Dec., 2018 ₦'000
	NOTE		
<b>Cash flows from operating activities:</b>			
Profit/(Loss) for the period		891,033	(302,895)
<b>Adjustments for net income to net cash provided by operating activities</b>			
Finance Expenses		100,050	132,614
Allowance for impairment on Receivables		-	215,046
Provision for Employee benefit	18	218,971	180,550
Investment Property- Depreciation	11	11,935	11,934
Property Plant & Equipment-Depreciation	10	1,916,158	1,725,835
		<b>3,138,147</b>	<b>1,963,084</b>
<b>Changes in working capital</b>			
Increase in trade and other receivables		(226,205)	(697,650)
Decrease/(Increase) in inventories		(83,717)	(58,342)
(Decrease)/ increase in trade and other payables		(370,621)	(110,460)
Increase in deferred income		12,162	(63,467)
<b>Cash generated from operations</b>		<b>2,469,765</b>	<b>1,033,164</b>
Tax paid	27	(306,783)	(341,579)
Payment made by the employer on the Employee Benefit	18	(53,234)	(86,279)
Finance expenses paid		(100,050)	(132,614)
<b>Net cash inflow from operating activities</b>		<b>2,009,698</b>	<b>472,691</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	10	(1,160,270)	(262,566)
Investment Properties	11	(2,000)	(4,115)
<b>Net cash outflow used in investing activities</b>		<b>(1,162,270)</b>	<b>(266,681)</b>
<b>Financing Activities:</b>			
Issued of Shares		-	5,035,800
Deposit for Shares		-	(5,035,800)
Loan Received	20	-	521,500
Repayment of borrowings	20	(459,017)	(408,578)
<b>Net cash inflow used in financing activities</b>		<b>(459,017)</b>	<b>112,922</b>
Net increase/ (decrease) in cash and cash equivalents		388,411	318,933
Cash and cash equivalents at the beginning		1,207,357	888,424
<b>Cash and cash equivalents at ending</b>	15	<b>1,595,768</b>	<b>1,207,357</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2019

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### 1 General Information

The principal activities of the Company include provision of services including aircraft/ramp handling, cargo handling, passenger handling, premium lounge, aviation security and baggage reconciliation.

On 3rd of December 2009, SIFAX Shipping Limited and Global Apex Logistic Limited through Skyway Aviation Handling Company Limited acquired 100% interest of the Federal Government in Skypower Aviation Handling Company Limited due to the privatisation of the company. Global Apex Logistics limited later gave up its holding in the shares of the company. The Company was listed on Nigerian stock Exchange on 23 April, 2019.

The corporate Headquarters is located at Skyway Aviation Handling Company Plc Complex, Cargo Terminal, Murtala Muhammed International Airport, Ikeja, Lagos State, Nigeria.

### 2 Significant Accounting Policy

The condensed financial statements for the period ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (together "IFRS") and requirements of the Companies and Allied Matters Act (CAMA) of Nigeria and the Financial Reporting Council (FRC) Act of Nigeria.

Skyway Aviation Handling Company Plc has consistently applied the same accounting policies and methods of computation in its financial statements as in its 2018 financial statements.

None of the new standards, interpretations and amendments, effective for the first time from 1st January 2019, have had a material effect on the financial statements.

#### 2.1 Basis of Preparations

These condensed accounts do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2018 Financial Statements.

The financial statements have been prepared under the historical cost convention except for some financial assets and liabilities measured at fair value and amortised cost; inventory at net realisable value.

#### 2.2 Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure in these condensed consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

### 3 REVENUE

The Company generates revenue primarily from foreign and domestic handling, cargo handling and equipment rental. Other sources of revenue include rental income from investment properties.

	<b>Unaudited</b>	<b>Audited</b>
	<b>Year ended</b>	<b>Year Ended</b>
	<b>31 Dec., 2019</b>	<b>31 Dec., 2018</b>
	<b>₦'000</b>	<b>₦'000</b>
<b>Revenue from contract with Customers</b>	7,468,425	5,978,198
<b>Other revenue:</b>		
Investment Properties Rental Income	198,925	158,214
<b>Total Revenue</b>	<b><u>7,667,350</u></b>	<b><u>6,136,412</u></b>

#### 3.1 Disaggregation of revenue from contracts with customers:

The revenue from contracts with customers is disaggregated by major service lines and timing of revenue recognition.

	<b>Unaudited</b>	<b>Audited</b>
	<b>Year ended</b>	<b>Year Ended</b>
	<b>31 Dec., 2019</b>	<b>31 Dec., 2018</b>
	<b>₦'000</b>	<b>₦'000</b>
<b>i. Major Service Lines</b>		
Foreign Handling	1,259,555	1,270,761
Domestic Handling	614,736	661,358
Ad-hoc Handling	270,647	7,801
Cargo Handling Income	4,436,407	3,416,328
Cargo Handling -Export	318,383	212,870
VIP Lounge Service Income	17,717	13,937
Equipment Rental	278,999	145,810
Haulage/Crew Bus Services	42,708	172,380
Hajj Operations	183,165	37,068
DCS/PAX Handling Income	-	2,092
Airport Security Services	28,163	28,870
Christain Pilgrimage Handling	17,944	9,039
	<u>7,468,425</u>	<u>5,978,314</u>
Discount Allowed	-	(116)
	<b><u>7,468,425</u></b>	<b><u>5,978,198</u></b>
<b>ii. Timing of revenue recognition</b>		
Service transferred at a point in time	7,468,425	5,978,198
Service transferred over time	198,925	158,214
	<b><u>7,667,350</u></b>	<b><u>6,136,412</u></b>

#### 3.2 Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.



# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

### 3.3 Description of Major Sources of income:

**Foreign and Domestic Handling:** This include income from aircraft handling raised for Ramp Services, passanger profiling, security and baggage handling(Loading and offloading).

**Cargo Handling:** These includes income from Cargo documentation services rendered to airlines which include import and export cargo facilitation through Nigeria's biggest network of customers bonded warehouses in Lagos, Kano, Abuja and Port-harcourt, using Hermes computerisation system which ensures safe storage and easy retrieval of cargos

**Equipment rental and maintainance:** The company leases it equipment to airlines for services that are not covered in the standard Ground Handling Agreement.

4	Unaudited Year ended 31 Dec., 2019 N'000	Audited Year Ended 31 Dec., 2018 N'000
<b>DIRECT COST</b>		
Cargo Shed/ Warehouse	375,558	325,382
Concession Fees	391,151	280,525
Oil and Lubricants	60,922	67,695
VIP Lounge	7,855	5,422
Baggage Logistics Expenses	3,991	3,070
Equipment Running	275,456	185,572
Equipment Repairs	212,701	268,142
Ground Equipment Spares	-	-
RAMP	13,759	12,734
Hajj Operation	42,350	10,367
Christain Pilgrimage	1,280	1,431
Cargo Warehouse Incentives	9,547	-
Direct Labour Cost	1,339,556	1,108,987
Other Direct Costs	16,167	3,351
Miscellaneous Cost	45,303	5,321
	<u>2,795,595</u>	<u>2,277,998</u>
Depreciation	1,488,842	1,251,679
	<u><b>4,284,437</b></u>	<u><b>3,529,677</b></u>

Expenses by nature have been disclosed in the statement of comprehensive income as above.

Costs directly relates to income generating activites are labelled as direct cost. Depreciation of assets used directly in generating revenue are classified as part of direct cost.

5	Unaudited Year ended 31 Dec., 2019 N'000	Audited Year Ended 31 Dec., 2018 N'000
<b>OTHER OPERATING INCOME</b>		
Finance Income	5,110	695
Scraps	37,488	18,691
	<u>42,599</u>	<u>19,386</u>
Foreign exchange gain	-	-
	<u><b>42,599</b></u>	<u><b>19,386</b></u>

Finance Income comprises interest income on funds invested.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year Ended 31 Dec., 2018 ₦'000
<b>6</b>		
<b>ADMINISTRATION EXPENSES</b>		
Employee benefit expenses (Note 7)	891,185	797,684
Depreciation & amortisation	439,249	486,090
Printing and stationery	19,658	21,169
Transport and traveling	96,902	79,548
Vehicle running expenses	35,951	49,670
Telecommunication and courier	25,987	50,476
Staff training and development	54,333	60,989
Advertisement and publications	2,409	11,064
Public relations	3,120	51,476
Sales Promotion	15,009	7,097
Subscription	1,704	2,176
Exchange Loss	37,674	201,834
Newspaper, periodical and magazine	1,194	1,010
Rent and electricity	198,585	283,240
Medical expenses	58,010	62,099
Insurance premium	46,335	44,461
Legal expenses	3,011	5,539
Audit fees	14,400	8,400
Repairs of office equipment	12,664	5,590
Repairs and maintenance of building	26,951	25,831
Entertainment	9,785	6,819
Gifts and donations	152,363	108,424
Hotel and accommodation	2,360	6,939
Repair of furniture and fittings	16,590	11,255
Computer support and sccessories	28,327	18,225
Lighting and fitting expenses	10,817	8,287
Premises upkeep and cleaning	34,008	31,718
Special security expenses	18,791	14,690
Office running expenses	11,833	3,729
Board meeting expenses	3,750	3,620
Recruitment expenses	30	345
Staff welfare expenses	39,460	15,800
Professional and business fees	35,683	22,021
Directors expenses	31,600	34,690
Debt Written off	1,271	-
Government levies	3,080	393
Impairment Allowance on Receivables	-	215,046
Other expenses	50,348	38,960
	<b>2,434,428</b>	<b>2,796,402</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year Ended 31 Dec., 2018 ₦'000
<b>7</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	485,685	445,130
Pension fund contribution	29,745	23,508
Leave allowance	35,347	29,008
Gratuity and terminal benefits	218,971	195,595
Overtime	16,036	15,225
13th month salary	66,431	53,632
Other allowance	5,955	4,650
ITF contribution	17,142	17,505
NSITF Employee Compensation	15,872	13,431
	<b>891,185</b>	<b>797,684</b>
<b>8</b>		
<b>FINANCE COST</b>		
Bank charges	20,859	20,657
Interest on loan and overdraft	79,191	111,957
	<b>100,050</b>	<b>132,614</b>
<b>9</b>		
<b>EARNINGS PER SHARE</b>		
Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.		
	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year Ended 31 Dec., 2018 ₦'000
Net profit/(loss) attributable to ordinary equity holders	<b>530,172</b>	<b>(665,649)</b>
	Number	Number
Weighted average number of ordinary shares	1,353,580	1,353,580
<b>Basic earning/(loss) per Ordinary Shares (Kobo)</b>	<b>39</b>	<b>(49)</b>
<b>Basic earning/(loss) per Ordinary Shares (Kobo)</b>	<b>39</b>	<b>(49)</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

10

### PROPERTY, PLANT AND EQUIPMENTS

	Leasehold Land N'000	Building N'000	Motor Vehicle and Trucks N'000	Plant and Machinery N'000	Furniture, Fixture and Fittings N'000	Computer Equipment N'000	Office Equipment N'000	Sundry Tools N'000	Total N'000
<b>Cost:</b>									
At 1 January 2018	49,140	3,370,978	285,044	6,549,978	646,043	172,385	160,329	31,839	11,265,736
Revaluation Adjustment	-	(368,429)	(242,046)	(3,672,775)	(546,898)	(133,869)	(111,262)	-	(5,075,279)
Revaluation Surplus	-	1,501,539	131,602	7,930,962	431,959	506	102,205	-	10,098,772
Rclassification	-	-	-	-	3,500	(3,500)	-	-	-
Additions	-	90,190	10,900	85,727	11,616	19,571	41,688	2,873	262,566
<b>At 31 December 2018</b>	<b>49,140</b>	<b>4,594,279</b>	<b>185,500</b>	<b>10,893,892</b>	<b>546,219</b>	<b>55,092</b>	<b>192,960</b>	<b>34,713</b>	<b>16,551,795</b>
Additions	-	85,888	33,440	963,650	21,356	17,651	31,318	6,968	1,160,270
<b>At 31 December 2019</b>	<b>49,140</b>	<b>4,680,167</b>	<b>218,940</b>	<b>11,857,542</b>	<b>567,575</b>	<b>72,743</b>	<b>224,278</b>	<b>41,681</b>	<b>17,712,065</b>
<b>Accumulated Depreciation/Amortisation:</b>									
At 1 January 2018	26,208	383,241	236,800	3,509,497	510,134	127,661	105,390	26,348	4,925,279
Revaluation Adjustment	-	(368,429)	(242,046)	(3,672,775)	(546,898)	(133,869)	(111,262)	-	(5,075,279)
Rclassification	-	-	-	-	1,925	(1,925)	-	-	-
Charge for the year	3,276	157,790	41,300	1,251,679	204,098	21,631	43,649	2,413	1,725,835
<b>At 31 December 2018</b>	<b>29,484</b>	<b>172,603</b>	<b>36,053</b>	<b>1,088,401</b>	<b>169,259</b>	<b>13,498</b>	<b>37,777</b>	<b>28,760</b>	<b>1,575,835</b>
Charge for the year	3,276	171,469	54,002	1,488,842	122,467	23,510	49,777	2,814	1,916,157
<b>At 31 December 2019</b>	<b>32,760</b>	<b>344,072</b>	<b>90,055</b>	<b>2,577,243</b>	<b>291,726</b>	<b>37,008</b>	<b>87,553</b>	<b>31,574</b>	<b>3,491,992</b>
<b>Carrying amount:</b>									
At 31 December 2019	16,380	4,336,095	128,885	9,280,299	275,848	35,735	136,724	10,106	14,220,073
At 31 December 2018	19,656	4,421,676	149,447	9,805,491	376,960	41,594	155,183	5,952	14,975,961

#### 10.1 Revaluation Adjustment

The Company's Property, Plant & Equipments were revalued on March 29, 2018 by Messrs. Ubosi Eleh & Company (Estate Surveyors and Valuers) using the Market Value Basis of valuation (i.e. between a willing buyer and a willing seller). The surplus arising on revaluation amounting to N10.09billion has been transferred to revaluation reserve. The Property, Plant & Equipments are stated in these financial statements at such valuation with additional cost to date.

Leasehold Land is stated at cost and as such do not fall under any class of the revalued asset by the Independent Valuers.

#### 10.2 Assets pledged as security

Borrowings are secured by a debenture on fixed and floating assets of the company.

#### 10.3 Depreciation charged during the period are included in:

	Unaudited Year ended 31 Dec., 2019 N'000	Audited Year Ended 31 Dec., 2018 N'000
Cost of sales	1,488,842	888,452
Administrative expenses	427,315	362,609
	<b>1,916,158</b>	<b>1,251,061</b>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

### 11

#### INVESTMENT PROPERTIES

	<b>Buidling</b>
	<b>₦'000</b>
<b>Cost</b>	
At 1 January 2018	340,978
Additions	4,115
<b>At 31 December 2018</b>	<b>345,093</b>
Additions	2,000
<b>At 31 December 2019</b>	<b>347,093</b>
<b>Accummulated Depreciation</b>	
At 1 January 2018	31,477
Charge for the year	11,934
<b>At 31 December 2018</b>	<b>43,410</b>
Charge for the period	11,935
<b>At 31 December 2019</b>	<b>55,345</b>
<b>Carrying amount</b>	
<b>At 31 December 2019</b>	<b>291,748</b>
<b>At 31 December 2018</b>	<b>301,684</b>

The Investment properties are depreciated using the straight-line method. The rate of depreciation used is 3.5% based on the useful lives of the lease on the landed property.

#### a) Description of the Investment Properties

Investment properties include Skyway Aviation Handling Company Limited corporate office and Skyway Aviation Handling Company Limited Office Complex located at Murtala Mohammed Airport Lagos, Nigeria which were made available for rental during the period.

	<b>31 Dec., 2019</b>	<b>31 Dec., 2018</b>
	<b>₦'000</b>	<b>₦'000</b>
<b>b) Net amounts recognised in profit or loss for investment properties are as follows:</b>		
Rental income	198,925	158,214
Direct operating expenses	(18,866)	(18,082)
Depreciation	(11,935)	(11,934)
	<b>168,124</b>	<b>128,198</b>

Depreciation has been included in Administrative expenses in the Statement of Profit or Loss and Other Comprehensive Income.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

### c) Non-current assets pledged as security

Refer to note 19 for information on non-current assets pledged as security by the company.

### d) Contractual obligations

The Company's lease agreement with FAAN on the Investment Property Lands places a restriction on the realization of the investment properties. The company has no contractual obligations to purchase the Land but can construct or develop investment properties or for repairs, maintenance and enhancements.

### e) Leasing arrangements

Some of the investment properties are leased to tenants under long-term operating leases with rentals payable annually. Minimum lease payments under non-cancellable operating leases of investment properties recognised in the financial statements as payables are as follows:

	Unaudited Year ended 31 Dec., 2019 N'000	Audited Year Ended 31 Dec., 2018 N'000
Within one year	32,457	20,295
Later than one year but not later than 5 years	27,540	27,540
	<u>59,998</u>	<u>47,835</u>

## 12

### INTANGIBLE ASSETS

<u>Cost</u>	Goodwill N'000
At 1 January 2018	4,057,388
Addition	-
<b>At 31 December 2018</b>	<u>4,057,388</u>
Addition	-
<b>At 31 December 2019</b>	<u>4,057,388</u>
<u>Amortisation</u>	
At 1 January 2018	-
Impairment Loss	-
Amortisation	-
<b>At 31 December 2018</b>	-
Impairment Loss	-
Amortisation	-
<b>At 31 December 2019</b>	-
<b>Carrying amount</b>	
<b>At 31 December 2019</b>	<u>4,057,388</u>
<b>At 31 December 2018</b>	<u>4,057,388</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

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a

### Impairment test

There was no impairment loss on Goodwill during the year.

### i. Impairment testing for CGUs containing Goodwill

#### Aircraft Handling (Foreign & Domestic) and Cargo Handling

The recoverable amount of these CGUs was based on its value in use, determined by the discounted future cash flows to be generated from the continue use of the CGUs. The carrying amount of the CGUs (=N=4.05 billion) was determined to be lower than the recoverable amount of =N=9.06 billion. Hence no impairment loss was recognised during the period (2018:Nil).

The key assumptions used in the estimation of value in use were as follows;

	Unaudited Year ended 31 Dec., 2019 %	Audited Year Ended 31 Dec., 2018 %
Discounted rate	15.25	15.25
Terminal value growth rate	20	20
Budgeted EBITDA growth rate (average of next five year)	3	3

The discount rate was a pre-tax measure based on the rate of 5-year government bonds issued by the government in the relevant market and in the same currency as the cashflows.

Five years of cashflows were included in the discounted cash flow model. A long term growth rate into perpetuity has been determined as the lower of the nominal gross domestic product rate and the long term compound annual EBITDA growth rate estimated by the management.

Budgeted EBITDA was based on the expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. The revenue growth was projected taking into account the average growth levels experienced over the past five years.

Following an annual test of impairment carried at the reporting date, the estimated recoverable amount exceeded its carrying amount by approximately N5 billion.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>13</b>		
<b>INVENTORIES</b>		
Spares	258,020	172,926
Oil and lubricants	4,908	6,285
	<u>262,928</u>	<u>179,211</u>

None of the company's inventories were pledged as collateral for borrowings.

The company's inventories were also not written down during the period (2018 : Nil).

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>14</b>		
<b>TRADE AND OTHER RECEIVABLES</b>		
Trade Receivables	2,117,514	1,958,597
Less: Allowance for Impairment (Note 14(a)(i))	(689,300)	(690,763)
	1,428,214	1,267,835
Loan to ABX World	51,000	51,000
Due from related parties (Note 21.2)	388,007	355,069
Advance to Suppliers (Note 14(b))	367,839	504,390
Other Receivables (Note 14(c))	245,418	158,429
Staff Loan (Note 14(d))	73,366	3,004
Prepayments (Note 14(e))	37,219	25,131
	<u>2,591,063</u>	<u>2,364,858</u>

The company determines its recoverability of trade receivable after considering any changes in the credit quality of the trade receivables from the date credit is granted up to the end of the reporting period.

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>a) Allowance for impairment on trade receivables</b>		
Balance at the beginning of the period	779,262	786,226
Bad Debts Written Off	(1,463)	(222,009)
Allowance for Impairment for the period	0	215,046
Balance at end of the period	<u>777,799</u>	<u>779,262</u>
<b>i.) Allowance for impairment is further analysed below</b>		
Trade Receivables	689,300	690,763
Advance to Suppliers	88,500	88,500
	<u>777,799</u>	<u>779,262</u>



# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>b) Advance to Suppliers</b>		
Cash with Suppliers	456,339	592,890
Allowance for impairment of advance to suppliers (Note 14(a)(i))	(88,500)	(88,500)
	<u>367,839</u>	<u>504,390</u>
<b>c) Other Receivables</b>		
Staff Advance for Expenses	42,209	49,026
Withholding Tax Receivables	203,209	109,402
	<u>245,418</u>	<u>158,429</u>

### d) Staff Loan

Staff Loan are non-interest bearing. They are repayable within 12month.

### e) Prepayments

Prepayments relate to rent prepaid on its offices complex all over the country and insurance prepaid on its Property, Plants and Equipments.

15	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>CASH AND CASH EQUIVALENTS</b>		
Cash	977	2,718
Bank	1,184,239	972,999
Short term deposits	410,552	231,639
	<u>1,595,768</u>	<u>1,207,356</u>

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
Cash	977	2,718
Bank	1,184,239	972,999
Short term deposits	410,552	231,639
	<u>1,595,768</u>	<u>1,207,357</u>
Bank Overdrafts	-	-
	<u>1,595,768</u>	<u>1,207,357</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>16</b>		
<b>TRADE AND OTHER PAYABLES</b>		
Trade Payables	547,075	917,048
Customers Deposits	-	22,532
Due to Related Parties (Note 21.2)	341	9,651
Provision for concession fee	476,418	385,075
Other Payables	170,656	84,456
Accruals (Note 16.2)	376,517	37,048
Other payables – tax and social security payments (Note 16.3)	447,066	932,887
	<b>2,018,074</b>	<b>2,388,698</b>
<b>16.1</b>		
Terms and conditions of the above financial liabilities:		
• Trade payables are non-interest bearing and are normally settled within 12months.		
• Other payables are non-interest bearing and have an average term of 6months.		
	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>16.2</b>		
<b>Accruals</b>		
Stamp Duties	8,783	7,866
Others	367,734	29,182
	<b>376,517</b>	<b>37,048</b>
<b>16.3</b>		
<b>Other payables – tax and social security payments</b>		
Withholding tax payables	13,659	6,332
Value added tax payable	207,659	735,718
ITF contribution	1,128	5,654
NSITF contribution payable	23,614	24,216
Pension	118,248	105,996
PAYE	3,107	2,955
Cooperative and thrift	77,405	49,389
Union dues	235	617
Federal Housing Loan	2,010	2,010
	<b>447,066</b>	<b>932,887</b>
<b>17</b>		
<b>DEPOSIT FOR SHARES</b>		
As at beginning of the period	-	5,035,800
Directors Current Account	-	(5,035,800)
As at the end of the period	-	-

Deposit for shares are funds of the ultimate owner of the company - Bar. (Dr.) Afolabi Taiwo that are yet to be authorised and issued as share capital. There has not been any new shares issue since the deposit was made. The deposit is non-interest bearing.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>18</b>		
<b>EMPLOYEE BENEFIT LIABILITY</b>		
<b>No. of Employee</b>	995	953
	<b>₦'000</b>	<b>₦'000</b>
Balance as at beginning	533,875	439,604
Provision during the period	218,971	180,550
	752,846	620,154
Payment to beneficiary	(53,234)	(86,279)
<b>Balance as at ending</b>	<b>699,612</b>	<b>533,875</b>
<b>19</b>		
<b>BORROWINGS</b>		
Keystone Bank Ltd	150,383	409,943
Ecobank Nigeria Limited	2,208	201,666
	<b>152,592</b>	<b>611,609</b>
<b>Classification of borrowings:</b>		
Current	128,511	205,777
Non Current	24,081	405,832
	<b>152,592</b>	<b>611,609</b>

### Keystone Bank - Term Loan

This is a facility of N521,500,000 which was sourced to finance the purchase of ground handling equipment for the Company's aviation project. The facility is for a tenor of 2 years effective 2018. The interest rate on the facility is 20%. The facility is secured against fixed and floating assets of the company and personal guarantee of the Chairman.

### Ecobank Nigeria Plc- Term Loan

This is a facility of N776,960,000 in seven tranches which was sourced to finance the purchase of ground handling equipment for the Company's aviation project. The facility is for a tenor of 4years effective 2015. The interest rate on the facility is 19%. The facility is secured against fixed and floating assets of the company and personal guarantee of the Chairman.

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>20</b>		
<b>Reconciliation of movements of Liabilities to cashflows arising from Financing Activities</b>		
Opening Balance	611,609	498,687
<b>Changes from Financing Cashflows</b>		
Additional Borrowing	-	521,500
Repayment of Borrowings	(459,017)	(408,578)
<b>Other Changes</b>		
Interest Expense	79,191	111,957
Interest Paid	(79,191)	(111,957)
	<u>-</u>	<u>-</u>
<b>Closing amount as at ending</b>	<b><u>152,592</u></b>	<b><u>611,609</u></b>

## 21

### RELATED PARTY

The company entered into various transaction with related parties in the ordinary course of business. Details of the transactions between the Company and other related parties are disclosed below:

#### 21.1 Identity of Related Party

Port and Cargo Handling Services Company Limited  
Sifax Liberia Limited  
Sifax Shipping Company Limited

#### 21.2 Outstanding Balances

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>Due to related entities</b>		
Port and Cargo Handling Services Company Limited	245	5,245
Sifax Shipping Company Limited	95	4,406
Sifax Offdock Nigeria Ltd	-	-
Sifax Haulage & Logistic Ltd	-	-
	<u>341</u>	<u>9,651</u>
<b>Due from related entities</b>		
Sifax Shipping Company Limited	388,007	355,069
	<u>388,007</u>	<u>355,069</u>
<b>Balance Due to the Chairman</b>		
Deposit for Shares	-	5,035,800
Directors Current Account	-	-
Conversion to Ordinary share Capital	-	(5,035,800)
	<u>-</u>	<u>-</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>22</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1,500,000,000 Ordinary Shares of 50 kobo each	<u>750,000</u>	<u>750,000</u>
<b>Issued and Fully Paid</b>		
1,353,580,000 Ordinary Shares of 50 kobo each	<u>676,790</u>	<u>676,790</u>
<b>23</b>		
<b>RETAINED EARNINGS</b>		
As at beginning of the period	4,412,322	5,077,970
Profit/(Loss) for the period	530,172	(665,648)
<b>As at the end of the period</b>	<u>4,942,493</u>	<u>4,412,322</u>
<b>24</b>		
<b>REVALUATION RESERVE</b>		
As at beginning of the period	9,088,895	-
Other Comprehensive Income	-	9,088,895
<b>As at the end of the period</b>	<u>9,088,895</u>	<u>9,088,895</u>
The revaluation reserve relates to the revaluation of Property, Plant & Equipment and Investment Properties (Note 10.1 refers).		
<b>25</b>		
<b>SHARE PREMIUM</b>		
As at beginning of the period	4,784,010	-
Issued during the year	-	4,784,010
<b>As at the end of the period</b>	<u>4,784,010</u>	<u>4,784,010</u>
<b>26</b>		
<b>DEFERRED INCOME</b>		
<b>Rental Income</b>	<u>59,997</u>	<u>47,835</u>
Amount received during the period are categorized as follows:		
Current portion	32,457	20,295
Non-Current portion	27,540	27,540
	<u>59,997</u>	<u>47,835</u>
<b>27</b>		
<b>INCOME TAX LIABILITY</b>		
The major components of income tax expense for the period are:		
	Unaudited Year ended 31 Dec., 2019 ₦'000	Audited Year ended 31 Dec., 2018 ₦'000
<b>As per profit or loss:</b>		
<b>Current income tax charge:</b>		
Income tax	300,717	201,096
Education tax	60,143	40,219
<b>Total Current Tax</b>	<u>360,860</u>	<u>241,315</u>

# SKYWAY AVIATION HANDLING COMPANY PLC

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER, 2019

	Unaudited Year ended 31 Dec., 2019 ₹'000	Audited Year ended 31 Dec., 2018 ₹'000
<b>Deferred tax:</b>		
Origination and reversal of temporary differences (Note28)	-	121,439
<b>Total Deferred Tax</b>	<u>-</u>	<u>121,439</u>
<b>Income Tax Expense/(Credit)</b>	<u><b>360,860</b></u>	<u><b>362,754</b></u>
<b>As per other comprehensive Income:</b>		
Origination and reversal of temporary differences (Note28)	-	<u><b>1,009,877</b></u>
	<b>Unaudited Year ended 31 Dec., 2019 ₹'000</b>	<b>Audited Year ended 31 Dec., 2018 ₹'000</b>
<b>As Per Statement of Financial Position:</b>		
As at beginning of the period	354,708	454,971
Current income tax charge for the period	360,860	241,315
	<u>715,568</u>	<u>696,286</u>
<b>Less: Payment during the period</b>		
Withholding Tax Credit Notes	-	(35,764)
Cash	(306,783)	(305,815)
<b>As at the end of the period</b>	<u><b>408,787</b></u>	<u><b>354,708</b></u>
<b>28</b>		
<b>DEFERRED TAX LIABILITIES/(ASSETS)</b>		
<b>Summarized Reconciliation of Total deferred tax assets (Net):</b>		
As at beginning of the period	187,717	(943,599)
Relating to origination and reversal of temporary differences	-	1,131,315
<b>As at the end of the period</b>	<u><b>187,717</b></u>	<u><b>187,717</b></u>

Deferred tax assets and liabilities relates to the unutilised capital allowances, Employee benefit and receivables/intangible assets to the extent that the realisation of the related tax benefits through future taxable profits is probable. All deferred tax assets/liabilities are deemed to be recoverable after 12months.